

CHAPTER 10
CUSTOMER COUNCILS

11—10.1(8A) Definitions.

“*Customer council*” means a group responsible for overseeing operations with regard to a service funded by fees paid by a governmental entity or subdivision receiving the service when the department of administrative services (DAS) has determined that DAS shall be the sole provider of that service.

“*Department*” means the department of administrative services (DAS) created by 2003 Iowa Code Supplement section 8A.102.

“*Economies of scale*” means mass purchasing of goods or services, which results in lower average costs.

“*Large agency*” means a state agency with more than 700 permanent employees.

“*Leadership function*” means a service provided by the department and funded by a general appropriation. Leadership functions typically relate to development of policy and standards and are appropriate when standardization is required and the ultimate customer is the taxpayer.

“*Marketplace service*” means a service that the department is authorized to provide, but which governmental entities may provide on their own or obtain from another provider of the service.

“*Medium-sized agency*” means a state agency with 70 to 700 permanent employees.

“*Quorum*” means the presence of no less than a simple majority (50 percent plus 1) of the members eligible to vote.

“*Small agency*” means a state agency with fewer than 70 permanent employees.

“*Utility*” means a service funded by fees paid by the governmental entity receiving the service and for which DAS is the sole provider of the service.

11—10.2(8A) Purpose. The purpose of this chapter is to establish DAS customer councils to oversee operations with regard to services provided when the department has determined that DAS shall be the sole provider of a service and to ensure that the department meets the needs of affected governmental entities and subdivisions and those citizens served.

11—10.3(8A) Utility determination. Services for which the department has determined that DAS shall be the sole provider are designated “utilities” as part of entrepreneurial management in Iowa state government. Customers may choose the amount of service they purchase, but must buy from the single source. Utilities are those services for which a monopoly structure makes sense due to economies of scale. The process for determining whether the department shall be the sole provider of a service shall include consideration of economic factors, input from customer councils and input from upper levels of the executive branch.

11—10.4(8A) Customer councils established. In order to ensure that DAS utilities provide effective, efficient, and high-quality services that benefit governmental entities and the citizens they serve, this chapter establishes customer councils for services identified as utilities.

11—10.5(8A) Customer council membership. DAS customer council membership shall consist of nine state agency representatives, a judicial branch representative overseeing DAS services provided to the judicial branch, a legislative branch representative overseeing DAS services provided to the legislative branch, a representative from the public, a representative from a union representing state employees, and nonvoting ex-officio members.

10.5(1) Method of appointment of members.

a. *Executive branch agency representation.* Each customer council will include three members from large agencies, three members from medium-sized agencies and three members from small agencies.

(1) Selection. The individual nominated by an agency to become a customer council member shall be the individual the agency determines is most appropriate to provide guidance. Each agency may nominate one representative for a customer council. The directors or directors’ designees from their

respective large, medium-sized, or small agency groups shall select customer council members from the representatives nominated by the agencies in that group.

(2) *Review.* The directors or directors' designees from each agency size group shall review representation on each customer council prior to August 1 of each year for the terms ending August 31 of that year and select customer council members as in subparagraph (1) to fill vacancies caused by expired terms. The department will periodically review the definition of large, medium-sized and small agencies based on the number of permanent employees of the agencies in Iowa state government and make adjustments accordingly.

(3) *Vacancies.* If a vacancy occurs from September 1 through August 1, the appropriate chairperson shall fill the vacancy.

b. Legislative and judicial branch representation. If the service to be provided may also be provided to the judicial branch and legislative branch, then the chief justice of the supreme court and the legislative council may, in their discretion, each appoint a member to the applicable customer council.

c. Additional members. A member of the public and a member of a union representing state employees involved in providing services overseen by the council shall be selected before the customer council's second meeting after July 1, 2003, by the agency directors or their designees. Subsequently, the agency directors or their designees shall make these selections prior to August 1 of the year the term expires. The directors or directors' designees shall select the member of the public or the union representative to fill the respective customer council position that becomes vacant before the end of the term. This action shall occur by the end of the month following the month in which the vacancy occurred.

d. Ex-officio member(s). Ex-officio members shall not vote on the proceedings of the customer councils for which they have been selected, but shall provide input to the council based on their area of expertise. Each ex-officio member shall be approved by a majority of the voting members of the respective customer council. An ex-officio member may be recommended to the customer council by:

- (1) A group representing agencies using a service overseen by the council, and
- (2) Any other group approved by the customer council.

10.5(2) Membership changes. As utility services and customer groups change, customer councils may add members to provide for equitable representation.

10.5(3) Term of membership. Each member will serve a three-year term; however, to ensure continuity of council functions, the first term for one representative of the large agencies, one representative of the medium-sized agencies, and one representative of the small agencies, and for the public member will be a two-year term; and one member from each agency size group and the union member will start with a four-year term. The agencies filling the initial two-year and four-year terms shall be selected by a vote of the members from agencies in each respective size group.

a. Initial membership terms shall begin on July 1, 2003. Beginning in 2005, membership terms shall begin on September 1.

b. Each customer council member serving on June 30, 2005, shall have the member's term extended by two months, ending on August 31 of the year in which the term expires.

11—10.6(8A) Organization of customer council. The operations of the customer councils shall be governed by a set of bylaws as adopted by each council. Bylaws shall address the following issues.

10.6(1) Member participation. Each member is expected to attend and actively participate in meetings. Participation will include requesting input and support from the group each member represents.

a. Substitutes for members absent from meetings will not be allowed; however, members may attend by telephone or other electronic means approved by the customer council.

b. Upon the approval of the customer council, an alternate member may be selected by an agency, group or union that provides a representative to that customer council to participate in customer council meetings and vote in place of the representative when the representative is unable to participate.

10.6(2) Voting. A quorum is required for a customer council vote.

a. Eligible members may vote on all issues brought before the group for a vote. Members may be present to vote during a meeting in person, by telephone or other electronic means approved by the customer council.

b. Each member, other than the ex-officio members, has one vote. Designated alternates may only vote in the absence of the representative from their organization. A simple majority of the members voting shall determine the outcome of the issue being voted upon.

c. Customer council bylaws may be amended by a simple majority vote of all members.

10.6(3) Officers. The elected officers of each customer council shall be the chairperson and vice chairperson. Officers shall be elected at the first meeting after September 1 each year by a simple majority of the voting members present and may be removed by a simple majority of the voting members present.

10.6(4) Duties of officers.

a. The chairperson shall preside at all meetings of the customer council.

b. The vice chairperson shall assist the chairperson in the discharge of the chairperson's duties as requested and, in the absence or inability of the chairperson to act, shall perform the chairperson's duties.

10.6(5) Committees.

a. The chairperson may authorize or dissolve committees as necessary to meet the needs of a customer council.

b. Members of a customer council and individuals who are not members of a customer council may be appointed by the chairperson to serve on committees.

c. Committees shall provide feedback to the chairperson and the customer council at the council's request.

d. Committees shall meet, discuss, study and resolve assigned issues as needed.

10.6(6) Administration. DAS shall provide staff support to assist the chairperson with the following administrative functions:

a. Keeping the official current and complete books and records of the decisions, members, actions and obligations of the customer councils;

b. Coordinating meeting notices and locations, keeping a record of names and addresses, including E-mail addresses, of the members of the customer councils; and

c. Taking notes at the meetings and producing minutes that will be distributed to all members.

Customer council books and records are subject to the open records law as specified in Iowa Code chapter 22.

10.6(7) Meetings. Customer council meetings are subject to the open meetings law as specified in Iowa Code chapter 21. Customer councils are responsible for the following:

a. Determining the frequency and time of their meetings.

b. Soliciting agenda items from the members in advance of an upcoming meeting.

c. Sending electronic notice of meetings, including date, time and location of the meeting, at least one week prior to the meeting date.

d. Providing an agenda, including those items requiring action, prior to the meeting. The agenda should also include any information necessary for discussion at the upcoming meeting.

e. Conducting meetings using the most recent version of Robert's Rules of Order, revised.

11—10.7(8A) Powers and duties of customer council.

10.7(1) Approval of business plans. The customer council shall, on an annual basis, review and recommend action on business plans submitted by the department for performance of the services the customer council oversees. Business plans shall include levels of service, service options, investment plans, and other information.

10.7(2) Complaint resolution. The customer council shall approve the internal procedure for resolution of complaints concerning the utility services provided by DAS. The procedure shall include, at a minimum, the following provisions:

a. A definition of "complaint," which shall convey that this resolution process does not take the place of any other formal complaint, grievance or appeal process required by statute or rule.

b. A designation of one or more employees responsible for receiving and recording complaints.

- c.* Receipt and resolution of complaints by the area of the department providing the service.
- d.* Standards for prompt complaint resolution.
- e.* Provisions to aggregate, analyze and communicate issues and outcomes in a manner that contributes to overall organizational improvement.
- f.* Identification of the director's decision as the final step in the process.

10.7(3) Rate setting. The customer council shall approve the procedure for setting rates for the services that the customer council oversees and the resulting rates. Rates shall be established no later than September 1 of the year preceding the rate change. Established rates may be amended after September 1 upon recommendation by the department and affirmative vote by the appropriate customer council.

10.7(4) Biennial review. Every two years the appropriate customer council shall review the decision made by the department that DAS be the sole provider of a service and make recommendations regarding that decision.

11—10.8(8A) Customer input. The department shall establish procedures to provide for the acceptance of input from affected governmental entities. Input may take various forms, such as unsolicited comments, response to structured surveys, or an annual report on service requirements.

11—10.9(8A) Annual service listing. The department shall annually prepare a listing separately identifying services determined by the department to be leadership functions, marketplace services, and utilities. The listing shall be completed no later than September 1 of the fiscal year preceding the proposed effective date of the change.

These rules are intended to implement 2003 Iowa Code Supplement section 8A.121.

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